Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR

NMOCD

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

	Empireo, surj 213	4
5.	Lease Serial No.	
	AIRARIRA14440	

SUNDRY	5. Lease Serial No. NMNM111418					
Do not use thi abandoned we	6. If Indian, Allottee or Tribe Name					
SUBMIT IN TRI	7. If Unit or CA/Agreement, Name and/or No.					
Type of Well	8. Well Name and No. FOXGLOVE 29 FEDERAL COM 6H					
Name of Operator OXY USA INCORPORATED	9. API Well No. 30-025-41850-00-S1					
3a. Address HOUSTON, TX 77210-4294	3b. Phone No. (include area code Ph: 713-513-6640		10. Field and Pool, or Exploratory TRIPLE X			
 Location of Well (Footage, Sec., T Sec 29 T23S R33E NWNE 34 32.281904 N Lat, 103.590701 	0FNL 1660FEL /	HOBBS (APR 252		11. County or Parish, LEA COUNTY,		
12. CHECK APPE	ROPRIATE BOX(ES) TO	O INDICATE NATURE OF RECEN	NOTICE, R	EPORT, OR OTHE	R DATA	
TYPE OF SUBMISSION		ТУРЕС				
Notice of Intent	☐ Acidize	Deepen	☐ Production (Start/Resume) ☐ Reclamation		☐ Water Shut-Off	
	☐ Alter Casing	☐ Fracture Treat			☐ Well Integrity	
☐ Subsequent Report	☐ Casing Repair	□ New Construction	Recomplete		⊠ Other	
☐ Final Abandonment Notice	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon ☐ Water Disposal		Venting and/or Flari	
	☐ Convert to Injection	☐ Plug Back				
13. Describe Proposed or Completed Ope If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final Ab determined that the site is ready for fi	Illy or recomplete horizontally, k will be performed or provide operations. If the operation re- andonment Notices shall be file nal inspection.)	give subsurface locations and meas the Bond No. on file with BLM/BI sults in a multiple completion or rec	sured and true vo A. Required su completion in a ding reclamatio	ertical depths of all pertin bsequent reports shall be new interval, a Form 316 in, have been completed,	nent markers and zones. filed within 30 days 60-4 shall be filed once	

SEE ATTACHED FOR CONDITIONS OF APPROVAL

	ne foregoing is true and correct. Electronic Submission #336242 verifie For OXY USA INCORPOR Committed to AFMSS for processing by JENN	ATÉD, IFER SA	sent to	the H Z on (obbs/ 4/18/2	016 (16JA	S0299	E)		/	
Name (Printed/Typed)	JENNIFER A DUARTE	Title	REG	ULAT	ORY S	SPECIAL	IST	/			- 19
Signature	(Electronic Submission)	Date	04/12	2/201	AF	PRU)\ <u>L</u>	X			
	THIS SPACE FOR FEDERA	L OR	STAT	E OF	FICE	USE	201	1	11/	nill	1
certify that the applicant hol	ny, are attached. Approval of this notice does not warrant or ds legal or equitable title to those rights in the subject lease icant to conduct operations thereon.	Title		A	IR AU	OF LAND LSBAD FI	MANA PELOP			te	

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

This field office has evaluated the attached Notice of Intent as a request for flaring/venting beyond NTL-4A allowable thresholds (reasons, timeframes and volumes), and has determined the following Conditions of Approval apply.

Condition of Approval to Flare Gas

- 1. Comply with NTL-4A requirements
- 2. Subject to like approval from NMOCD
- 3. Flared volumes are considered "avoidably lost" and will require payment of royalties. Volumes shall be reported on OGOR "B" reports as disposition code "08
- 4. "Avoidably lost" flare volumes shall be metered due to their royalty bearing status. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time.
- 5. Vent/flare gas metering to meet all requirements for a sales meter as per Federal Regulations, Onshore Order #5 and NTL 2008-01. Include meter serial number on sundry (form 3160-5).
- 6. This approval does not authorize any additional surface disturbance.
- 7. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
- 8. Approval not to exceed 90 days, if flaring is still required past 90 days submit new request for approval.
- 9. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a sundry form 3160-5.

Definition: As per **NTL-4A II. A.** "Avoidably lost" production shall mean the venting or flaring of produced gas without the prior authorization, approval, ratification, or acceptance of the Supervisor and the loss of produced oil or gas when the Supervisor determines that such loss occurred as a result of (1) negligence on the part of the lessee or operator, or (2) the failure of the lessee or operator to take all reasonable measures to prevent and/or to control the loss, or (3) the failure of the lessee or operator to comply fully with the applicable lease terms and regulations, appropriate provisions of the approved operating plan, or the prior written orders of the Supervisor, or (4) and combination of the foregoing.

43CFR3162.7-1 (a) The operator shall put into marketable condition, if economically feasible, all oil, other hydrocarbons, gas and sulphur produced from the leased land.

43CFR3162.1 (a) The operating rights owner or operator, as appropriate, shall comply with applicable laws and regulations; with the lease terms, Onshore Oil and Gas Orders, NTL's; and with other orders and instructions of the authorized officer. These include, but are not limited to, conducting all operations in a manner which ensures the proper handling, measurement, disposition, and site security of leasehold production; which protects other natural resources and environmental quality; which protects life and property; and which results in maximum ultimate economic recovery of oil and gas with minimum waste and with minimum adverse effect on ultimate recovery of other mineral resources.